REMARKS/ARGUMENTS

Favorable reconsideration of this application is respectfully requested.

Minor formal changes are made to the specification.

Claims 21 and 22 are present in this application. Claims 1-20 are canceled and Claims 21 and 22 are added by way of the present amendment. Claim 21 is supported, for example, by Figures 1, 9 and 10 and claim 22 is supported by, for example, Figures 5 and 11. No question of introduction of new matter is believed raised by new claims 21 and 22.

In the prior Office Action, the claims were rejected under 35 U.S.C. § 103(a) over U.S. 2005/0005148, U.S. 2007/0030974 and U.S. 6,134,660. However, none of these references discloses or suggests the recording apparatus recited in claims 21 and 22. In particular, in the apparatus of claim 21 when content is recorded onto a first disk, two keys (a medium key and a move key) are recorded to enable the contents to be further moved to another disk and to be replayed. When the contents are further moved from the first disk to a second disk, the move key is erased from the first disk and only the medium key is left allowing the contents to be replayed while disabling movement of the content. In other words, the first disk can still be replayed but the contents cannot be moved.

In claim 22, the move key is erased from the second recording medium after it is moved to a third recording medium, and replay and movement of the contents on the second recording medium is inhibited. On the third disk, only the move key is recorded, which allows replay of the content but further movement of the content is possible only when a dedicated device constructed according to the claimed invention is used.

US 2005/0005148 is directed to content distribution and does not disclose or suggest the apparatus of claim 21 where a processing section encrypts content with a first key and stores it on a first recording medium, and then decrypts the content, encrypts again the content using a new first key and stores the content encrypted with the new first key on a

second recording medium. Further, the processing section stores a new move key on the second recording medium and erases the move key from the first recording medium. In particular, an apparatus that updates the distribution key Kd periodically (paragraph [0099]) does not suggest the apparatus of claim 21 with the claimed processing section. There is certainly no suggestion of the apparatus of claim 22 where the processing section erases a new move key from the second recording medium and stores renewed encrypted contents, and a renewed move key on the third recording medium.

The other two cited references do not cure the deficiencies of 2005/0005148.

It is respectfully submitted that the present application is in condition for allowance and a favorable decision to that effect is respectfully requested.

Respectfully submitted,

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